

Legislative Appropriations Request
For Fiscal Years 2020 and 2021

**Submitted to the
Office of the Governor, Budget Division
and the Legislative Budget Board**

by

Fourteenth Court of Appeals

August 03, 2018

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234 Fourteenth Court of Appeals District, Houston

COURT OF APPEALS FOR THE FOURTEENTH DISTRICT OF TEXAS

Created in 1967, the Fourteenth Court of Appeals is one of Texas's fourteen intermediate appellate courts that process, review, and decide civil and criminal appeals and original proceedings for the people of Texas. The Fourteenth, along with its older sister, the First Court of Appeals, serves a ten-county jurisdiction from their bases of operation in the historic Harris County 1910 Courthouse in downtown Houston.

Last year the Fourteenth Court of Appeals celebrated its fiftieth anniversary, marking five decades of service amidst steady changes in the court's size, location, jurisdiction, judicial makeup, systems, and processes. Today, the nine-member Fourteenth stands committed to building on the court's strong legacy of delivering justice through adherence to the rule of law. The Fourteenth's chief mission is to deliver timely, well-reasoned orders and opinions.

COURT OPERATIONS

In Fiscal Year 2017, Texas's intermediate courts of appeals took onto their dockets 10,444 cases through filings, reinstatements, and remands. With an ever-increasing number of case types requiring expedited review, the appellate courts need sufficient resources to keep their busy dockets moving and to insure that Texans receive efficient justice and high-quality judicial opinions at the appellate level.

To manage the demands of its docket effectively, the Fourteenth Court employs a highly skilled professional staff experienced in appellate practice and procedure. Increased legislative funding has enabled the Fourteenth Court to replace one-year, fresh-out-of-law-school positions with permanent staff positions, filled by more experienced attorneys who can bring greater efficiency and expertise to the court's work. Today, the court's team includes a central staff of lawyers, two chambers attorneys for each of the court's nine justices, and a lean clerical staff.

Though the Fourteenth Court has eliminated its longstanding briefing-attorney program, the court continues to recognize the importance of preserving the experiential-learning environment that program historically provided. The Fourteenth Court's justices and staff now channel their mentoring efforts and energy into a dynamic judicial internship program that features an array of educational sessions, training, and skill-building opportunities for a diverse group of law students from across Texas and the United States.

A fully funded court budget and technological advances paved the way for the Fourteenth Court to become a leaner and greener operation. With the ever-improving Texas Appeals Management and E-filing System (TAMES), justices and staff can now complete the opinion-circulation-and-approval process in a fraction of the time it used to take. The changes have revolutionized the way the court processes appeals.

EFFICIENCIES AND COST SAVINGS

The First Court of Appeals serves as a valued partner to the Fourteenth Court in achieving greater efficiencies in fiscal management and court operations. As independent bodies, the two courts are limited in what they can do to eliminate duplicative expenses, but by working together they have been able to cut some costs. For example, for the last several years, the two courts have shared a court clerk, Christopher Prine, who oversees both the First's and the Fourteenth's day-to-day operations in their shared jurisdiction. In recent years the First and the Fourteenth have cut additional costs by also sharing other personnel and by pooling resources to boost courthouse security, enhance employee training, and increase educational opportunities for the courts' professional staffs. Though these savings have helped the courts to be good stewards of legislatively provided funds, the two courts could realize even greater cost savings if they were not independent bodies but instead a single court.

As coterminous-jurisdiction courts, the First and the Fourteenth share jurisdiction and judicial power in the same ten-county region. Due to this unusual court structure,

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these two Houston-based courts face an extra challenge, one that arises from their shared jurisdiction and impacts the jurisprudence and the delivery of justice as well as the courts' budgets and fiscal demands.

Because the two independent courts share judicial power in a single geographic region, the law in the First-Fourteenth Districts does not always command a single result, which makes the law unpredictable in split-of-authority cases. The unpredictability in the law brings greater uncertainty — and greater costs — to the appellate process. A merger of the courts would restore predictability in the law in this region, free trial courts from interpretive problems in split-of-authority cases, give litigants a greater measure of certainty, and build public confidence in our courts. And, a merger also would lower costs, not just for the two courts, but also for consumers of the courts' services.

When the law is unclear, it takes longer and costs more to resolve disputes. Split-of-authority cases impose greater briefing costs on litigants because they generate more en banc rehearing motions and more petitions for review to higher courts. The parties' attorney's fees and litigation expenses add to the cost of the individual cases, making the appellate process more expensive and more time-consuming for litigants caught in First-Fourteenth split-of-authority cases. The uncertainty in the law makes it harder for the parties to evaluate risks and assess potential costs, and that lessens the chances litigants will settle their disputes before an appeal. This, too, adds to the costs of the appellate process for both the courts and the public.

Years ago, a prior Fourteenth-Court administrator facing these challenges pointed to a court merger as a cost-savings measure. Through partnering with the First Court to share costs, the Fourteenth Court has realized some cost savings, but these fiscal achievements do nothing to address the loss of predictability in the law that is so essential to our rule-of-law system. Nor do these fiscal achievements alleviate the extra costs to courts and the public associated with split-of-authority cases in the shared jurisdiction. A court merger would accomplish both goals.

FUNDING IN PRIOR LEGISLATIVE SESSIONS THROUGH SIMILAR FUNDING FOR SAME-SIZE COURTS FRAMEWORK

During the 79th and 80th Legislative Sessions, Texas's fourteen courts of appeals worked together to develop guideline budgets under a collective framework known as Similar Funding for Same-Sized Courts. This collective approach served to streamline the appellate courts' appropriations process.

In the 81st, 82nd, 83rd, and 84th Legislative Sessions, the courts of appeals worked with the Legislature toward meeting their critical personnel needs by seeking full implementation of Similar Funding for Same-Sized Courts. This initiative proved difficult to fully fund, and these legislatures only partially funded the needs of the courts.

During the 85th Legislative Session, the courts again sought the funding necessary to implement in full the Similar Funding for Same-Sized Courts initiative, and this time the Legislature fully funded the courts' long-standing request. This funding has enhanced the public's access to justice by giving the courts the resources needed to employ and retain a highly skilled and trained professional workforce that can process appeals and original proceedings more efficiently. The 85th Legislature's implementation of the Similar Funding for Same-Sized Courts has equipped the courts of appeals with the tools to deliver a high level of service.

IMPACT OF POTENTIAL REDUCTIONS IN COURT'S GENERAL REVENUE

Any reduction in the Fourteenth Court's General Revenue (GR) would undermine progress made possible through the recent funding. The Fourteenth's budget predominantly goes toward salaries. Given that the judicial-salary portion of the courts' budgets are statutorily fixed, any reduction in the court's GR, in effect, would have an even greater impact on the court's support personnel budgets. With the lion's share of the court's budget dedicated to staffing, the court does not have the discretionary funds to absorb any reduction without cutting integral staff. As an alternative, the court could implement across-the-board reductions in salaries but that would drop salaries significantly below those of other comparable positions in both the public and private sectors and likely would deter top candidates from remaining or

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applying with the court.

As requested, the Fourteenth Court provides the following likely scenarios in the event of reductions at the 2.5%, 5%, 7.5%, and 10% levels:

Scenario 1: 2.5% Reduction

A 2.5% reduction in the Fourteenth Court's GR equates to \$219,311.50. Such a reduction of the court's biennial funds would require the court to cut one permanent staff attorney position and reduce the court's one full-time administrative-assistant position to quarter-time status. These changes would directly impact the productivity of the court.

Scenario 2: 5% Reduction

A 5% reduction in the Fourteenth Court's GR equates to \$438,623. Such a reduction of the court's biennial funds would require the court to cut two permanent staff attorney positions and reduce the court's one administrative-assistant position to half-time status. These cuts would directly impact the productivity of the court as well as the court's ability to continue its structured judicial internship program at current levels.

- **Lower Clearance Rate.** A 5% reduction in staffing likely would result in fewer dispositions of appeals, preventing the court from clearing older cases and reaching the disposition target of 100% of new appeals filed in the biennium.
- **Longer Wait Times for Parties and Litigants.** Because a 5% reduction would mean fewer staff attorneys, the processing times would increase for appeals and original proceedings pending during the biennium, which would mean that parties and litigants awaiting court decisions would have to wait longer.
- **Adverse Impact on Judicial Internship Program.** The Fourteenth Court currently offers a robust judicial internship program in which justices and staff engage students through educational sessions designed to build practice skills and foster professionalism. The First and Fourteenth Courts work together to provide both courts' interns with opportunities to observe appellate courts in action. Students interact with judges and staff on a range of assignments. With this close attention to professional development, students emerge from the internship program better equipped to begin their legal careers. The Fourteenth's chief staff attorney coordinates with law schools and oversees the orientation and on-boarding process for the court. The court's administrative staff processes applications and helps with intern events. With fewer staff members, the court would need to focus the remaining resources on the court's top priority of delivering timely, well-written opinions. In the event of a 5% cut, the internship program would suffer either through fewer sessions and/or fewer student participants. In sum, a 5% budget cut would mean loss of key staff members. Though the court would work diligently to process cases timely, the court's clearance rate likely would fall, the number of cases pending longer than projected likely would rise, and the judicial internship program likely would be scaled back.

Scenario 3: 7.5% Reduction

A 7.5% reduction in the court's GR equates to \$657,934.50 of the court's biennial funds. Because the court's budget predominantly goes toward salaries, a 7.5% reduction to the court's budgets would mean cutting three permanent staff attorney positions and reducing the court's one full-time administrative-assistant position to three quarter-time status. Even more than cuts at the 5% level, cuts at the 7.5% level would impact the court's productivity and jeopardize the court's structured judicial internship program.

Scenario 4: 10% Reduction

A 10% reduction in the Fourteenth Court's GR equates to \$877,246 of the court's biennial funds. Because most of the court's funding goes to salaries, and because the court already has cut its operating expenses to the lowest possible amount, a 10% reduction could be achieved only through eliminating essential staff positions or lowering salaries to a below-market level.

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A 10% reduction in the court's GR likely would result in the following actions:

- The loss of four staff attorney positions, which represents 17.4% of the court's professional staff and the loss of one administrative-assistant position, which represents 10% of the court's upper-level administrative staff.

Or, alternatively

- The court could implement salary cuts at every level, a move that would drop salaries way below those of comparable positions in both the public and private sectors.

A 10% reduction would impact the court's operations in the following ways.

- **Inevitable Backlog in Case Dispositions.** A reduction of this magnitude would seriously jeopardize the court's ability to provide timely appellate review and timely disposition of original proceedings in our ten-county jurisdiction. The cuts necessitated by a 10% reduction in GR almost certainly would cause clearance rates to drop and lead to a significant backlog in case dispositions.
- **Suspension of Judicial Internship Program.** To be successful, the court's judicial internship program requires close supervision and management of student interns by justices and staff. With nearly a fifth of the court's professional staff gone and no administrative assistant, the remaining staff members would need to focus all of their time and energy on disposition of cases. The court would not have sufficient administrative personnel to run the internship program, nor would professional staff have the time to mentor and manage interns or participate in the array of educational sessions currently offered. Judges, too, would be under greater time pressures and would need to focus their time and energy on the court's top priority of delivering justice timely. Though some judges might be willing and able to take on interns individually in chambers, the court's structured judicial internship program could not likely continue in the face of a 10% reduction in GR.
- **Inability to Attract and Retain High Quality Staff.** Courts face competition with higher-paying private practice and government legal jobs for skilled attorneys and qualified support staff. With the cuts, some employees may leave the court and the lower salaries likely would make it more difficult for the court to compete for the most qualified candidates. In recent sessions, the legislative leadership has recognized the need, even in tough economic times, for the courts of appeals to be able to attract and retain qualified attorneys and to provide adequate levels of staffing for vital court functions. Appellate work requires attorneys with specialized knowledge to analyze cases on appeal, assist with court opinions, and facilitate the processing of appeals and original proceedings to conclusion. The courts need attorneys with strong academic credentials, analytical skills, and professional experience. To fulfill its goal of timely delivering a high-quality written product, the court must be able to attract and retain experienced lawyers through competitive salaries.

Summary

In sum, the cuts necessitated by a reduction in GR likely would mean a drop in clearance rates and a backlog in case dispositions. A cut at the 5% level would adversely impact the court's structured judicial internship program, a cut at the 7.5% level would jeopardize it, and a cut at the 10% level likely would result in suspension of the program until funding was restored. Were the Fourteenth Court to suffer a budget cut of any size, the justices and court staff would resolve to do our very best with what we have, but experience teaches that without adequate resources, the court cannot deliver justice efficiently. While the Fourteenth Court would readjust its strategies to work with any imposed reduction in GR, a cut of any magnitude would impact in material respects the court's ability to fulfill its chief mission of providing timely, high-quality appellate review and disposition of original proceedings to the ten-county district.

REQUEST TO MAINTAIN GUIDELINE BUDGET AT CURRENT LEVELS

The Fourteenth Court seeks to maintain the guideline budgets at current levels so that the court might continue to deliver the highest quality service to the public. To

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achieve the goal, the Fourteenth Court respectfully requests the Legislature to maintain current funding levels for the coming biennium.

RIDER REQUESTS:

The Intermediate courts of appeals also request the following with regard to the across-the-board riders found in Article IV (p. IV-39):

1. Retain Article IV rider, Sec. 4, Appellate Court Exemptions
2. Retain Article IV rider, Sec. 6, Interagency Contracts for Assigned Judges for Appellate Courts
3. Retain Article IV rider, Sec. 7, Appellate Court Transfer Authority

Historically, the Legislature has granted the courts exemption from certain limitations in the General Appropriations Act. They also have granted the courts the authority to carryover unexpended budget balances between years within the biennium. The flexibility afforded by these measures enhances the courts' management ability, and the Fourteenth Court asks the Legislature to continue to afford the court these opportunities by keeping these budget features in place.

STATEMENTS OF SUPPORT

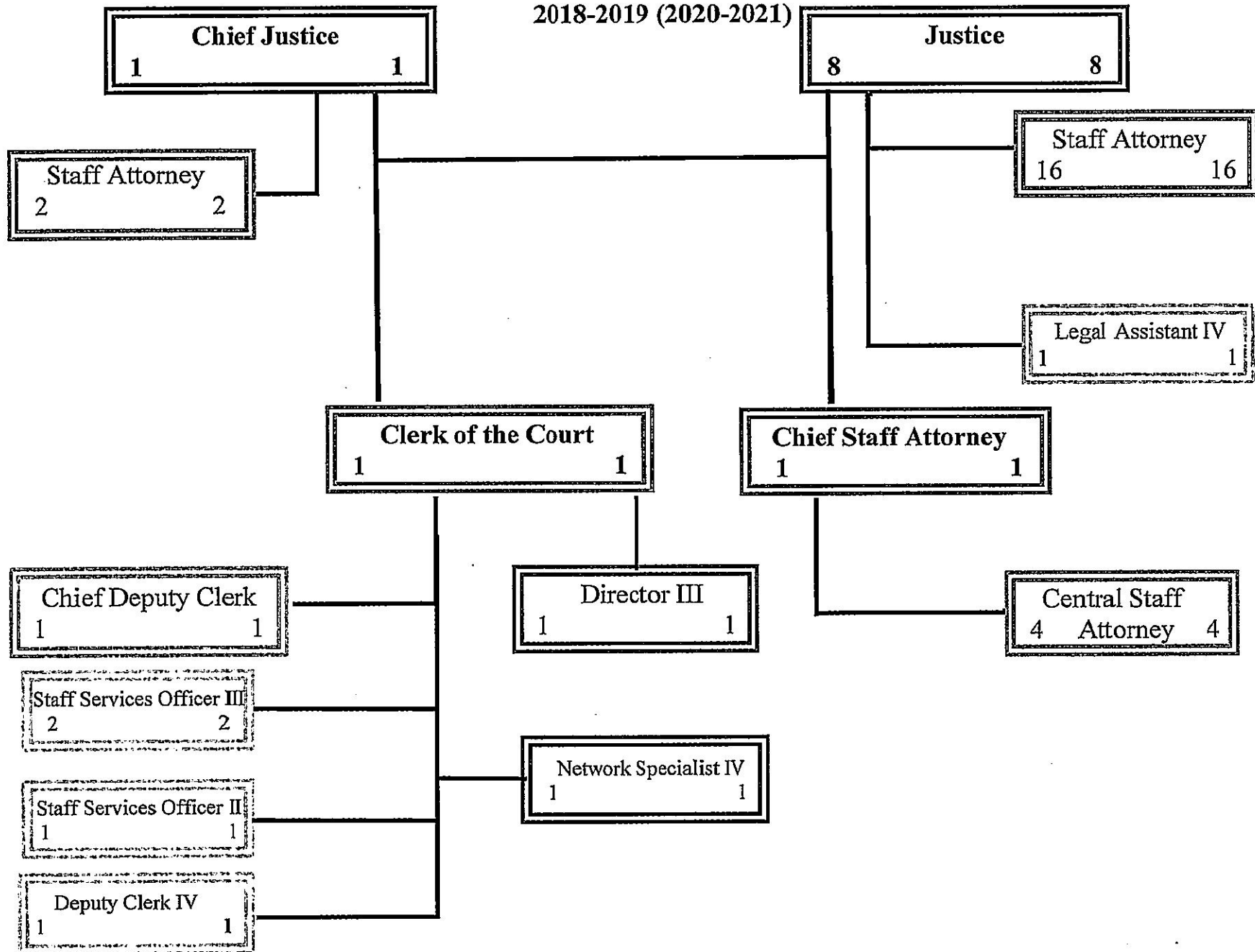
Office of Court Administration Funding

The courts of appeals rely upon many of the services the Office of Court Administration (OCA) provides. For the courts of appeals to function efficiently, the OCA must receive adequate funding for these services.

Inclusion of Courts-of-Appeals Employees in Any Cost-of-Living Increase to State Employees

If the Legislature appropriates a cost-of-living increase to state employees, the Fourteenth Court of Appeals requests that all court employees be included in any such increase.

Organizational Chart
Fourteenth Court of Appeals
2018-2019 (2020-2021)



Budget Overview - Biennial Amounts
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

234 Fourteenth Court of Appeals District, Houston
Appropriation Years: 2020-21

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2020-21
Goal: 1. Appellate Court Operations											
1.1.1. Appellate Court Operations	8,772,458	8,772,458					903,786	903,786	9,676,244	9,676,244	
Total, Goal	8,772,458	8,772,458					903,786	903,786	9,676,244	9,676,244	
Total, Agency	8,772,458	8,772,458					903,786	903,786	9,676,244	9,676,244	
Total FTEs									44.0	44.0	0.0

2.A. Summary of Base Request by Strategy

8/2/2018 10:06:26AM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

234 Fourteenth Court of Appeals District, Houston

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>1</u> Appellate Court Operations					
<u>1</u> Appellate Court Operations					
1 APPELLATE COURT OPERATIONS	4,880,425	4,838,122	4,838,122	4,838,122	4,838,122
TOTAL, GOAL 1	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
TOTAL, AGENCY STRATEGY REQUEST	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122

2.A. Summary of Base Request by Strategy

8/2/2018 10:06:26AM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

234 Fourteenth Court of Appeals District, Houston

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	4,408,420	4,386,229	4,386,229	4,386,229	4,386,229
SUBTOTAL	\$4,408,420	\$4,386,229	\$4,386,229	\$4,386,229	\$4,386,229
Other Funds:					
573 Judicial Fund	273,350	273,350	273,350	273,350	273,350
666 Appropriated Receipts	24,223	11,539	11,539	11,539	11,539
777 Interagency Contracts	174,432	167,004	167,004	167,004	167,004
SUBTOTAL	\$472,005	\$451,893	\$451,893	\$451,893	\$451,893
TOTAL, METHOD OF FINANCING	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code:	234	Agency name:	Fourteenth Court of Appeals District, Houston			
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021	
<u>GENERAL REVENUE</u>						
<u>1</u> General Revenue Fund						
REGULAR APPROPRIATIONS						
Regular Appropriation from MOF table (2016-17 GAA)	\$4,321,927	\$0	\$0	\$0	\$0	
Regular Appropriation from MOF table (2018-19 GAA)	\$0	\$4,386,229	\$4,386,229	\$0	\$0	
Regular Appropriations from MOF Table	\$0	\$0	\$0	\$4,386,229	\$4,386,229	
Comments: 2020-21 BLRequest						
TRANSFERS						
Art IX, Sec 18.02, Salary Increase for General State Employees (2016-17)	\$59,617	\$0	\$0	\$0	\$0	
LAPSED APPROPRIATIONS						
Lapsed Appropriations	\$(2,837)	\$0	\$0	\$0	\$0	
UNEXPENDED BALANCES AUTHORITY						

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code: 234 Agency name: Fourteenth Court of Appeals District, Houston

METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
Strategy A.1.1., Appellate Court Operations (2016-17 GAA)		\$29,713	\$0	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$4,408,420	\$4,386,229	\$4,386,229	\$4,386,229	\$4,386,229
TOTAL, ALL	GENERAL REVENUE	\$4,408,420	\$4,386,229	\$4,386,229	\$4,386,229	\$4,386,229

OTHER FUNDS

573 Judicial Fund No. 573

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2016-17 GAA)		\$273,350	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2018-19 GAA)		\$0	\$273,350	\$273,350	\$0	\$0
Regular Appropriations from MOF Table		\$0	\$0	\$0	\$273,350	\$273,350

Comments: 2020-21 BLRequest

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code:	234	Agency name:	Fourteenth Court of Appeals District, Houston			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
TOTAL,	Judicial Fund No. 573	\$273,350	\$273,350	\$273,350	\$273,350	\$273,350
<u>666</u>	Appropriated Receipts					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF table (2016-17 GAA)	\$11,539	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$11,539	\$11,539	\$0	\$0
	Regular Appropriations from MOF Table	\$0	\$0	\$0	\$11,539	\$11,539
	Comments: 2020-21 BLRequest					
	<i>RIDER APPROPRIATION</i>					
	Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)	\$12,684	\$0	\$0	\$0	\$0
TOTAL,	Appropriated Receipts	\$24,223	\$11,539	\$11,539	\$11,539	\$11,539

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code:	234	Agency name:	Fourteenth Court of Appeals District, Houston			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021

OTHER FUNDS

777 Interagency Contracts

REGULAR APPROPRIATIONS

Regular Appropriations from MOF table (2016-17 GAA)

\$159,202	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2018-19 GAA)

\$0	\$167,004	\$167,004	\$0	\$0
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Regular Appropriations from MOF Table

\$0	\$0	\$0	\$167,004	\$167,004
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Comments: 2020-21 BLRequest

RIDER APPROPRIATION

Art IX, Sec 8.02, Reimbursements and Payments (2016-17 GAA)

\$19,872	\$0	\$0	\$0	\$0
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LAPSED APPROPRIATIONS

Lapsed Appropriations

\$(4,642)	\$0	\$0	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code: 234		Agency name: Fourteenth Court of Appeals District, Houston				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
TOTAL,	Interagency Contracts	\$174,432	\$167,004	\$167,004	\$167,004	\$167,004
TOTAL, ALL	OTHER FUNDS	\$472,005	\$451,893	\$451,893	\$451,893	\$451,893
GRAND TOTAL		\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
FULL-TIME-EQUIVALENT POSITIONS						
REGULAR APPROPRIATIONS						
	Regular Appropriations from MOF Table (2016-17 GAA)	47.0	0.0	0.0	0.0	0.0
	Regular Appropriations from MOF Table (2018-19 GAA)	0.0	44.0	44.0	0.0	0.0
	Regular Appropriations from MOF Table	0.0	0.0	0.0	44.0	44.0
	Comments: 2020-21 BLRequest					
UNAUTHORIZED NUMBER OVER (BELOW) CAP						
	Unauthorized Number Over (Below) Cap	(4.1)	0.0	0.0	0.0	0.0
TOTAL, ADJUSTED FTES		42.9	44.0	44.0	44.0	44.0

2.B. Summary of Base Request by Method of Finance
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

Agency code: 234

Agency name: Fourteenth Court of Appeals District, Houston

METHOD OF FINANCING

Exp 2017

Est 2018

Bud 2019

Req 2020

Req 2021

NUMBER OF 100% FEDERALLY FUNDED
FTEs

2.C. Summary of Base Request by Object of Expense
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:27AM

234 Fourteenth Court of Appeals District, Houston

OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$4,334,295	\$4,362,301	\$4,368,384	\$4,368,384	\$4,368,384
1002 OTHER PERSONNEL COSTS	\$244,957	\$226,908	\$210,895	\$210,895	\$210,895
2001 PROFESSIONAL FEES AND SERVICES	\$3,383	\$0	\$1,248	\$1,248	\$1,248
2003 CONSUMABLE SUPPLIES	\$1,091	\$4,627	\$4,627	\$4,627	\$4,627
2005 TRAVEL	\$4,364	\$2,200	\$4,225	\$4,225	\$4,225
2006 RENT - BUILDING	\$42,525	\$41,070	\$48,376	\$48,376	\$48,376
2007 RENT - MACHINE AND OTHER	\$4,176	\$348	\$0	\$0	\$0
2009 OTHER OPERATING EXPENSE	\$245,634	\$200,668	\$200,367	\$200,367	\$200,367
OOE Total (Excluding Riders)	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
OOE Total (Riders)					
Grand Total	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122

2.C.1. Operating Costs Detail ~ Base Request

Date: 8/2/2018

Time: 10:06:29AM

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 234 Agency: Fourteenth Court of Appeals District, Houston

BASE REQUEST STRATEGY: 1-1-1 Appellate Court Operations

Code	Type of Expense	Expended 2017	Estimated 2018	Budgeted 2019	Requested 2020	Requested 2021
2	Postage	\$0	\$5,000	\$5,000	\$5,000	\$5,000
6	Registrations/Training	579	275	2,517	2,517	2,517
7	Subscriptions/Periodicals	9,328	6,376	7,057	7,057	7,057
12	Maintenance & Repair - Equipment	1,670	1,711	1,850	1,850	1,850
13	Furniture & Equipment (Expensed)	4,417	0	3,692	3,692	3,692
24	Freight/Delivery	275	261	500	500	500
26	Books (expensed)	42,343	51,645	48,480	48,480	48,480
27	Membership Dues	15,556	13,921	15,937	15,937	15,937
28	Liability Insurance	8,637	8,637	8,637	8,637	8,637
45	Telephone/Communication Services	2,181	3,029	3,695	3,695	3,695
55	Computer Furn & Equip-Controlled	38,260	0	0	0	0
64	SORM Assessment	65,408	50,879	43,850	43,850	43,850
94	Awards	386	675	500	500	500
118	Temporary Employment Services	378	0	0	0	0
187	1% salary benefits fee	41,486	43,390	43,684	43,684	43,684
195	Payroll Health Insurance Contrib.	14,729	14,869	14,968	14,968	14,968
	Total, Operating Costs	\$245,633	\$200,668	\$200,367	\$200,367	\$200,367

2.D. Summary of Base Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

8/2/2018 10:06:27AM

234 Fourteenth Court of Appeals District, Houston

Goal/ Objective / Outcome		Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1	Appellate Court Operations					
	1 Appellate Court Operations					
KEY	1 Clearance Rate					
		100.50%	98.00%	100.00%	100.00%	100.00%
KEY	2 Percentage of Cases Under Submission for Less Than One Year					
		99.30%	99.50%	99.75%	99.75%	99.75%
KEY	3 Percentage of Cases Pending for Less Than Two Years					
		99.90%	99.70%	99.90%	99.90%	99.90%

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/2/2018
TIME : 10:06:27AM

Agency code: 234		Agency name: Fourteenth Court of Appeals District, Houston				
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
1 Appellate Court Operations						
1 Appellate Court Operations						
1 APPELLATE COURT OPERATIONS	\$4,838,122	\$4,838,122	\$0	\$0	\$4,838,122	\$4,838,122
TOTAL, GOAL 1	\$4,838,122	\$4,838,122	\$0	\$0	\$4,838,122	\$4,838,122
TOTAL, AGENCY STRATEGY REQUEST	\$4,838,122	\$4,838,122	\$0	\$0	\$4,838,122	\$4,838,122
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$4,838,122	\$4,838,122	\$0	\$0	\$4,838,122	\$4,838,122

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 8/2/2018
TIME : 10:06:27AM

Agency code: 234		Agency name: Fourteenth Court of Appeals District, Houston					
Goal/Objective/STRATEGY		Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:							
1	General Revenue Fund	\$4,386,229	\$4,386,229	\$0	\$0	\$4,386,229	\$4,386,229
		\$4,386,229	\$4,386,229	\$0	\$0	\$4,386,229	\$4,386,229
Other Funds:							
573	Judicial Fund	273,350	273,350	0	0	273,350	273,350
666	Appropriated Receipts	11,539	11,539	0	0	11,539	11,539
777	Interagency Contracts	167,004	167,004	0	0	167,004	167,004
		\$451,893	\$451,893	\$0	\$0	\$451,893	\$451,893
TOTAL, METHOD OF FINANCING		\$4,838,122	\$4,838,122	\$0	\$0	\$4,838,122	\$4,838,122
FULL TIME EQUIVALENT POSITIONS		44.0	44.0	0.0	0.0	44.0	44.0

2.G. Summary of Total Request Objective Outcomes
 86th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 8/2/2018
 Time: 10:06:28AM

Agency code: 234

Agency name: Fourteenth Court of Appeals District, Houston

Goal/ Objective / Outcome

		BL 2020	BL 2021	Exep 2020	Exep 2021	Total Request 2020	Total Request 2021
1	Appellate Court Operations						
1	Appellate Court Operations						
KEY	1 Clearance Rate						
		100.00%	100.00%			100.00%	100.00%
KEY	2 Percentage of Cases Under Submission for Less Than One Year						
		99.75%	99.75%			99.75%	99.75%
KEY	3 Percentage of Cases Pending for Less Than Two Years						
		99.90%	99.90%			99.90%	99.90%

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:28AM

234 Fourteenth Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
OBJECTIVE: 1 Appellate Court Operations
STRATEGY: 1 Appellate Court Operations

Service Categories:

Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Output Measures:						
1	Number of Civil Cases Disposed	733.00	672.00	700.00	686.00	686.00
2	Number of Criminal Cases Disposed	529.00	475.00	500.00	588.00	588.00
Explanatory/Input Measures:						
1	Number of Civil Cases Filed	614.00	571.00	600.00	612.00	624.00
2	Number of Criminal Cases Filed	394.00	400.00	500.00	510.00	520.00
3	Number of Cases Transferred in	42.00	125.00	45.00	45.00	40.00
4	Number of Cases Transferred out	5.00	4.00	5.00	5.00	5.00
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,334,295	\$4,362,301	\$4,368,384	\$4,368,384	\$4,368,384
1002	OTHER PERSONNEL COSTS	\$244,957	\$226,908	\$210,895	\$210,895	\$210,895
2001	PROFESSIONAL FEES AND SERVICES	\$3,383	\$0	\$1,248	\$1,248	\$1,248
2003	CONSUMABLE SUPPLIES	\$1,091	\$4,627	\$4,627	\$4,627	\$4,627
2005	TRAVEL	\$4,364	\$2,200	\$4,225	\$4,225	\$4,225
2006	RENT - BUILDING	\$42,525	\$41,070	\$48,376	\$48,376	\$48,376
2007	RENT - MACHINE AND OTHER	\$4,176	\$348	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$245,634	\$200,668	\$200,367	\$200,367	\$200,367

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:28AM

234 Fourteenth Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
OBJECTIVE: 1 Appellate Court Operations
STRATEGY: 1 Appellate Court Operations

Service Categories:

Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
TOTAL, OBJECT OF EXPENSE		\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
Method of Financing:						
1	General Revenue Fund	\$4,408,420	\$4,386,229	\$4,386,229	\$4,386,229	\$4,386,229
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$4,408,420	\$4,386,229	\$4,386,229	\$4,386,229	\$4,386,229
Method of Financing:						
573	Judicial Fund	\$273,350	\$273,350	\$273,350	\$273,350	\$273,350
666	Appropriated Receipts	\$24,223	\$11,539	\$11,539	\$11,539	\$11,539
777	Interagency Contracts	\$174,432	\$167,004	\$167,004	\$167,004	\$167,004
SUBTOTAL, MOF (OTHER FUNDS)		\$472,005	\$451,893	\$451,893	\$451,893	\$451,893
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,838,122	\$4,838,122
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
FULL TIME EQUIVALENT POSITIONS:		42.9	44.0	44.0	44.0	44.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

234 Fourteenth Court of Appeals District, Houston

GOAL: 1 Appellate Court Operations
OBJECTIVE: 1 Appellate Court Operations
STRATEGY: 1 Appellate Court Operations

Service Categories:

Service: 01 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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The Fourteenth Court of Appeals was created in 1967 by amendment to the Article 1817, V.T.C.S. pursuant to the authority granted by Article 5, Section 1, Texas Constitution. This court has intermediate appellate jurisdiction in civil cases in which the judgment rendered exceeds \$100, exclusive of costs, and, effective September 1, 1981, in criminal cases, except those in which the death penalty has been assessed .

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Courts of Appeals are by nature, small agencies with highly specialized staff . The main factor which drives this strategy is the need to attract and retain highly trained and knowledgeable professional staff to work on an increasing caseload .

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$9,676,244	\$9,676,244	\$0	\$0	Total of Explanation of Biennial Change

3.A. Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

8/2/2018 10:06:28AM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
METHODS OF FINANCE (INCLUDING RIDERS):				\$4,838,122	\$4,838,122
METHODS OF FINANCE (EXCLUDING RIDERS):	\$4,880,425	\$4,838,122	\$4,838,122	\$4,838,122	\$4,838,122
FULL TIME EQUIVALENT POSITIONS:	42.9	44.0	44.0	44.0	44.0

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
86th Regular Session, Agency Submission, Version 1

Agency Code: 234		Agency: Fourteenth Court of Appeals				Prepared By: Kelly McIntosh/Chris Prine					
Date: August 3, 2018						18-19	Requested	Requested	Biennial	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2020	2020	Total	\$	%
1.1.1	Appellate Court Operat	1	Appellate Court Operations	1	Appellate Court Operations	\$8,772,458	\$4,386,229	\$4,386,229	\$8,772,458	\$0	0.0%

3.B. Rider Revisions and Additions Request

Agency Code: 234	Agency Name: Fourteenth Court of Appeals	Prepared By: Kelly McIntosh/Chris Prine	Date: August 03, 2018	Request Level: Baseline
Current Rider Number	Page Number in 2018-19 GAA	Proposed Rider Language		
6	IV-39	<p>Interagency Contracts for Assigned Judges for Appellate Courts. Out of funds appropriated in this Article to Strategies A.1.1, Appellate Court Operations, the Supreme Court of Texas, the Court of Criminal Appeals, or any of the 14 Courts of Appeals may enter into a contract with the Office of the Comptroller for fiscal years 2018 <u>2020</u> and 2019 <u>2021</u>, for the purpose of reimbursing the Comptroller for amounts expended for judges assigned under Chapter 74, Government Code to hear cases of the appellate courts. It is the intent of the Legislature that any amounts reimbursed under this contract for judges assigned to the appellate courts are in addition to amounts appropriated for the use of assigned judges in Strategy A.1.3, Visiting Judges - Appellate in the Judiciary Section, Comptroller's Department.</p> <p><i>Change years to reflect the new biennium.</i></p>		

The courts also request the following with regard to the across-the-board riders found in Article IV (p. IV-39):

- 1) Retain Article IV rider, Sec 4, Appellate Court Exemptions
- 2) Retain Article IV rider, Sec 6, Interagency Contracts for Assigned Judges for Appellate Courts.
- 3) Retain Article IV rider, Sec 7, Appellate Court Transfer Authority

Historically, the Legislature has granted the courts exemption from certain limitations in the General Appropriations Act. They have also granted the authority to carryover unexpended budget balances between years of the biennium as shown in the current bill pattern. The flexibility afforded by these measures enhances the courts' management ability, and we seek continuation of these budget features.

6.A. Historically Underutilized Business Supporting Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
Time: 10:06:30AM

Agency Code: 234 Agency: Fourteenth Court of Appeals District, Houston

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2016 - 2017 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures FY 2016	% Goal	HUB Expenditures FY 2017			Total Expenditures FY 2017
			% Actual	Diff	Actual \$			% Actual	Diff	Actual \$	
26.0%	Other Services	26.0 %	8.9%	-17.1%	\$1,831	\$20,509	26.0 %	2.5%	-23.5%	\$386	\$15,635
21.1%	Commodities	21.1 %	100.0%	78.9%	\$4,764	\$4,764	21.1 %	34.4%	13.3%	\$1,804	\$5,239
	Total Expenditures		26.1%		\$6,595	\$25,273		10.5%		\$2,190	\$20,894

B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals

Attainment:

The agency overall exceeded the applicable statewide HUB procurement goals in FY2016 and FY2017 in the categories where HUB's were available for use.

Applicability:

The "Heavy Construction," Building Construction," "Special Trade," and "Professional Service," categories are not applicable to agency operations in either fiscal year 2016 or fiscal year 2017 since the agency did not have any strategies or programs related to these categories.

Factors Affecting Attainment:

In fiscal year 2016 and 2017, the goal of "Other Services" category were not met due to the following:

- printing expenditures are exempt from bidding for Judicial agencies per Texas Const. Sec. 21
- the lowest bid was from a non-hub vendor
- only source available

In fiscal year 2016 and 2017, the goal of "Commodities" were exceeded due to the following:

- major purchases were made with HUB vendors
- consistent repeat purchases to HUB vendors were utilized

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 1 TAC Section 111.13c:

- ensured that contract specifications, terms, and conditions reflected the agency's actual requirements, were clearly stated, and did not impose unreasonable or unnecessary contract requirements
- gathered information on HUB vendors from the on-line system and contacted the vendor directly for a bid
- used the Statewide Procurement Division where applicable, not always resulting in the use of a HUB vendor

**6.H. Estimated Total of All Agency Funds Outside the GAA Bill Pattern
Fourteenth Court of Appeals**

ESTIMATED GRAND TOTAL OF AGENCY FUNDS OUTSIDE THE 2020-21 GAA BILL PATTERN	\$	814,000
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Fund Name

Estimated Beginning Balance in FY 2018

Estimated Revenues FY 2018

\$ 402,000

Estimated Revenues FY 2019

\$ 407,000

FY-2018-19 Total \$ 809,000

Estimated Beginning Balance in FY 2020

Estimated Revenues FY 2020

\$ 407,000

Estimated Revenues FY 2021

\$ 407,000

FY 2020-21 Total \$ 814,000

Constitutional or Statutory Creation and Use of Funds:

Pursuant to section 22.202 of the Government code, counties other than Harris County composing the First and Fourteenth Court of Appeals Districts shall annually reimburse Harris County for the cost incurred by Harris County during its previous fiscal year for supplemental salaries and fringe benefits for the justices of those courts. In addition, these counties are also to provide reimbursement for furnishings, equipment, supplies, and utility expense for those courts.

Method of Calculation and Revenue Assumptions:

Each county is to pay a share based on the proportion of their population to the total population of all counties in these districts. To effectuate the billing and payment process, the Harris County Commissioners Court is required to furnish each county liable for expenses with a statement of that county's share. Furthermore, the statement must be approved by the Chief Justices of the Courts of Appeals.

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
Time: 10:06:34AM

Agency code: 234 Agency name: Fourteenth Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
<u>General Revenue Funds</u>									
1 General Revenue Fund	\$0	\$0	\$0	\$109,655	\$109,656	\$219,311			
General Revenue Funds Total	\$0	\$0	\$0	\$109,655	\$109,656	\$219,311			
Item Total	\$0	\$0	\$0	\$109,655	\$109,656	\$219,311			
FTE Reductions (From FY 2020 and FY 2021 Base Request)					2.5	2.5			

3 7.5% Base Reduction Increment

Category: Programs - Service Reductions (FTEs-Layoffs)

Item Comment: A 7.5% reduction in the court's GR equates to \$657,934.50 of the court's biennial funds. The court's budget predominantly goes toward salaries. Such a reduction to the court's budgets would require a reduction of three permanent staff attorneys and a reduction in the court's one full-time administrative assistant to three quarter-time status. Cuts at this level would directly impact the productivity of the court and jeopardize the court's structured judicial internship program. For details, please see the Administrator's Statement.

Strategy: 1-1-1 Appellate Court Operations

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$109,656	\$109,656	\$219,312			
General Revenue Funds Total	\$0	\$0	\$0	\$109,656	\$109,656	\$219,312			
Item Total	\$0	\$0	\$0	\$109,656	\$109,656	\$219,312			
FTE Reductions (From FY 2020 and FY 2021 Base Request)					3.7	3.7			

Time: 10:06:34AM

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 8/2/2018
Time: 10:06:34AM

Agency code: 234 Agency name: Fourteenth Court of Appeals District, Houston

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Agency Grand Total	\$0	\$0	\$0	\$438,622	\$438,624	\$877,246			\$877,246
Difference, Options Total Less Target									
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)				12.4	12.4				
Article Total				\$438,622	\$438,624	\$877,246			
Statewide Total				\$438,622	\$438,624	\$877,246			